

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1426 - HB 1706

April 2, 2009

SUMMARY OF BILL: Enacts the Healthcare Freedom of Conscience Act which prohibits discrimination against a health care provider based on the provider declining to participate in a health care service that violates the provider's conscience. Grants a healthcare institution the right not to participate in a service that violates the institution's conscience and prohibits the institution from being held civilly, criminally, or administratively liable for declining to provide a service. Grants a healthcare payer the right to decline to pay for or arrange for the payment of any service or product that violates its conscience and prohibits the payer from being held civilly or criminally liable for declining to pay for a service or product. Any individual, association, corporation, entity or institution may recover civil damages for a violation of this part for no less than \$5,000.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- The Department of Commerce and Insurance would administer and enforce the provisions of the bill as it relates to health care payers. Payers will file new forms and policies with the Department. The Department will investigate any complaints against payers for denying payments and determine if the payer had the right to deny the payment. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- There will not be a significant increase in expenditures for any board within the Division of Health-Related Boards or the Board for Licensing Health Care Facilities to make necessary changes to rules. Any rulemaking hearings will be conducted during a regularly scheduled meeting of the board.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all health-related boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Division had a positive balance of \$1,000,000.

- Pursuant to Tenn. Code Ann. § 68-11-216, the Board for Licensing Health Care Facilities is required to be self-supporting over a two-year period. The Board had a negative closing balance of \$440,300 in FY06-07 and a negative closing balance of \$217,700 in FY07-08.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kml